



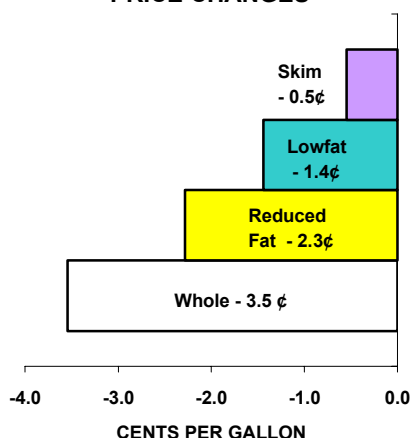
Milk Pricing

NEWSLETTER

Dairy Marketing Branch, CDFA

February 2002

PRICE CHANGES



ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR MARCH 2002

The commodity prices for butter and nonfat dry milk decreased this month causing a decrease in price for all classes of milk. Because butter declined more than nonfat dry milk, whole milk showed the largest decrease at 3.5 cents per gallon.

The uncertain economy continues to affect the production and sales of butter and cheese. For the first quarter of 2002, predictions for prices all show substantial price reductions.

Minimum Farm Prices for Various Fluid Milks by Container Size for March 2002

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Northern California						
Whole Milk	\$1.142	\$0.571	\$0.285	\$0.143	\$0.095	\$0.071
Reduced Fat (2%)	\$1.053	\$0.526	\$0.263	\$0.132	\$0.088	\$0.066
Lowfat (1%)	\$1.002	\$0.501	\$0.250	\$0.125	\$0.083	\$0.063
Nonfat (Skim)	\$0.761	\$0.381	\$0.190	\$0.095	\$0.063	\$0.048
Southern California						
Whole Milk	\$1.165	\$0.582	\$0.291	\$0.146	\$0.197	\$0.073
Reduced Fat (2%)	\$1.076	\$0.538	\$0.269	\$0.135	\$0.090	\$0.067
Lowfat (1%)	\$1.026	\$0.513	\$0.256	\$0.128	\$0.085	\$0.064
Nonfat (Skim)	\$0.786	\$0.393	\$0.196	\$0.098	\$0.065	\$0.049

Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$0.035-	\$0.018-	\$0.009-	\$0.004-	\$0.003-	\$0.002-
Reduced Fat (2%)	\$0.023-	\$0.011-	\$0.006-	\$0.003-	\$0.002-	\$0.001-
Lowfat (1%)	\$0.014-	\$0.007-	\$0.004-	\$0.002-	\$0.001-	\$0.001-
Nonfat (Skim)	\$0.005-	\$0.003-	\$0.001-	\$0.001-	\$0.000	\$0.000

California Department of Food and Agriculture

William (Bill) Lyons Jr., Secretary

Robert "Tad" Bell, Undersecretary

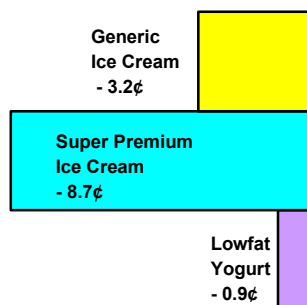
Daniel E. Webb, Deputy Secretary; Valerie Brown, Deputy Secretary

Vanessa Arellano, Assistant Secretary

Phone (916) 654-1456; Homepage Address: www.cdfa.ca.gov/dairy

Minimum Farm Prices for the Milk Component in Manufactured Dairy Products

February/March PRICE CHANGES



-10 -9 -8 -7 -6 -5 -4 -3 -2 -1 0 1
Ice Creams in ¢ per ½-Gallon
Yogurt in ¢ per Quart

1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.

2/ Yogurt and ice cream prices change every second month.

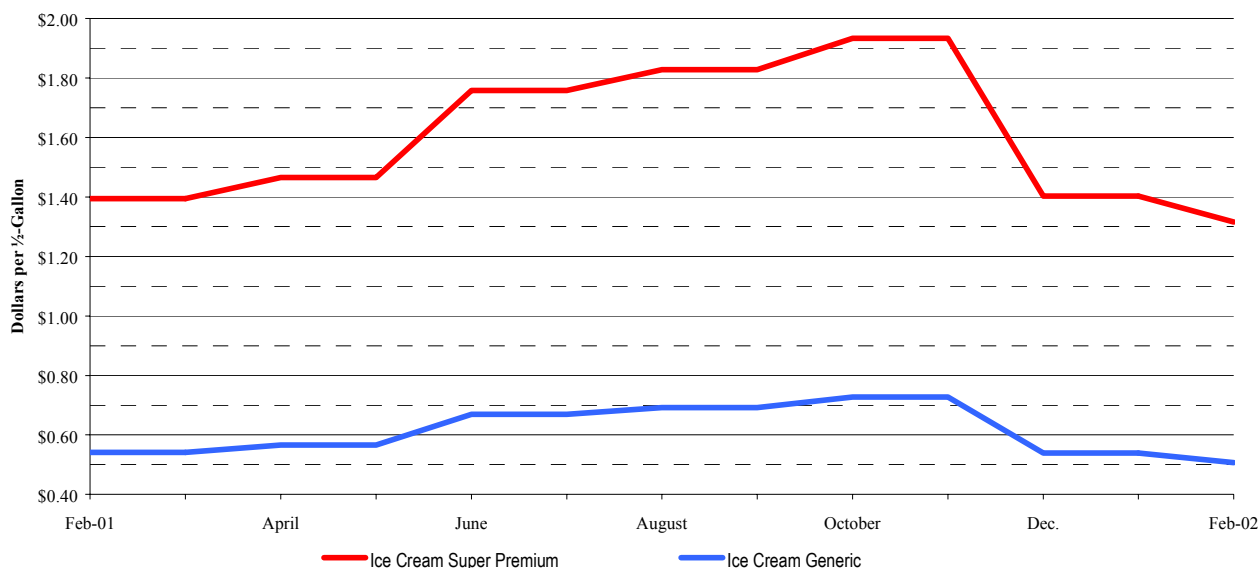
California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super-premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
November	\$0.24	\$1.93	\$0.73	\$1.19	\$1.06
December	\$0.22	\$1.40	\$0.54	\$1.15	\$1.10
January	\$0.22	\$1.40	\$0.54	\$1.20	\$1.14
February	\$0.21	\$1.32	\$0.51	—	—

Price Change from the Prior Pricing Period^{2/}

November	\$—	\$—	\$—	\$0.16-	\$0.17-
December	\$0.02-	\$0.53-	\$0.19-	\$0.04-	\$0.04
January	\$—	\$—	\$—	\$0.05	\$0.04
February	\$0.01-	\$0.08-	\$0.03-	—	—

Farm Component of Ice Cream Prices



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